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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

-----x

3 UNITED STATES OF AMERICA,

4 v.

11 CR 1068 (PKC)

5 LEIB GLANZ and MENASHE GLANZ,

6 Defendants.

7 -----x

8 New York, N.Y.
9 September 4, 2012
2:30 p.m.

10 Before:

11 HON. P. KEVIN CASTEL,

12 District Judge

13
14 APPEARANCES

15 PREET BHARARA

16 United States Attorney for the
Southern District of New York

17 JUSTIN A. ANDERSON

Assistant United States Attorney

18 COVINGTON & BURLING LLP

19 Attorneys for Defendant L. Glanz

20 ALAN M. VINEGRAD

MARI K. BONTHUIS

21 STILLMAN & FRIEDMAN, P.C.

22 Attorneys for Defendant M. Glanz

23 MARJORIE J. PIERCE

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1 (Case called)

2 MR. ANDERSON: Good afternoon, your Honor. Justin
3 Anderson, for the government.

4 THE COURT: Good afternoon, Mr. Anderson.

5 MR. VINEGRAD: Alan Vinegrad and Mari Bonthuis, for
6 Mr. Leib Glanz.

7 MS. PIERCE: Good afternoon, your Honor. Marjorie
8 Pierce, for Menashe Glanz. Charles Stillman sends his
9 apologies, but he just finished a long trial.

10 THE COURT: I understand. Always good to see you, Ms.
11 Pierce.

12 MS. PIERCE: Thank you.

13 THE COURT: Let me hear from the government. I take
14 it that in the case of one defendant, there will be a plea to a
15 misdemeanor. That's Leib Glanz. What about in the case of
16 Menashe Glanz?

17 MR. ANDERSON: Yes. The government expects there will
18 be a plea from Leib Glanz to the superseding misdemeanor, and
19 his codefendant, Menashe, will plead to count two of the
20 indictment.

21 MS. PIERCE: That's correct, your Honor.

22 THE COURT: Is that correct, Mr. Vinegrad?

23 MR. VINEGRAD: Yes, it is.

24 THE COURT: Leib Glanz and Menashe Glanz, before I
25 accept guilty pleas from you, I must satisfy myself that you

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1 understand the rights you would have if this case went to
2 trial, the rights you are giving up by pleading guilty, that
3 there's a factual basis for your plea of guilty, and that you
4 understand the consequences of pleading guilty. So, in a
5 moment, I am going to have the clerk administer the oath or
6 affirmation to you. You may affirm, if you choose, that your
7 statements are true under penalty of perjury.

8 If I ask you something today or I tell you something
9 today and you don't quite understand what I meant, the job is
10 on you to tell me that you didn't understand it, in which event
11 I will put it into different words. Also, if at any time you
12 wish to consult in private with your lawyer, I'll give you an
13 opportunity to do that.

14 Do you understand, Mr. Leib Glanz?

15 DEFENDANT L. GLANZ: Yes, sir.

16 THE COURT: Do you understand, Mr. Menashe Glanz?

17 DEFENDANT M. GLANZ: Yes.

18 THE COURT: Please stand and the clerk will administer
19 the oath.

20 THE DEPUTY CLERK: Raise your right hand.

21 (Defendants affirmed)

22 THE COURT: Please be seated.

23 You are now under oath and your answers to my
24 questions are subject to the penalties of perjury or making a
25 false statement if you do not answer truthfully. Also,

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1 anything you say today can be used in such a prosecution.

2 Do you understand that?

3 DEFENDANT L. GLANZ: Yes.

4 THE COURT: Do you understand?

5 DEFENDANT M. GLANZ: Yes, your Honor.

6 THE COURT: Let me begin with Leib Glanz. Please
7 state your full name for the record.

8 DEFENDANT L. GLANZ: Leib Glanz.

9 THE COURT: How old are you, sir?

10 DEFENDANT L. GLANZ: 56. Actually, 55. I'm sorry.

11 THE COURT: How far did you go in school?

12 DEFENDANT L. GLANZ: I graduated high school and then
13 I graduated the rabbinical college.

14 THE COURT: Are you now or have you recently been
15 under the care of a medical doctor?

16 DEFENDANT L. GLANZ: I have a medical doctor that I
17 go, that I see.

18 THE COURT: Do you have any conditions that are being
19 treated by that medical doctor?

20 DEFENDANT L. GLANZ: I have a little bit high sugar
21 lately. So I'm going to him.

22 THE COURT: Do you take any medications?

23 DEFENDANT L. GLANZ: Yes. I take some medication for
24 that.

25 THE COURT: What kind of medication do you take?

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1 DEFENDANT L. GLANZ: I don't know the name.

2 THE COURT: For what condition are you taking the
3 medication?

4 DEFENDANT L. GLANZ: It's just to control the sugar.
5 It's not a strong medication, just a minimal amount of the
6 medication for the sugar.

7 THE COURT: Have you ever been treated for a mental
8 illness?

9 DEFENDANT L. GLANZ: No.

10 THE COURT: Have you ever been addicted to any
11 substance, whether it's prescription medications, alcohol, any
12 substance?

13 DEFENDANT L. GLANZ: No.

14 THE COURT: How do you feel today?

15 DEFENDANT L. GLANZ: Fine.

16 THE COURT: Is your mind clear?

17 DEFENDANT L. GLANZ: Yes.

18 THE COURT: Do you understand what's happening?

19 DEFENDANT L. GLANZ: Yes.

20 THE COURT: Let me hear from Mr. Menashe Glanz.

21 Please state your full name for the record.

22 DEFENDANT M. GLANZ: Menashe Glanz.

23 THE COURT: How old are you?

24 DEFENDANT M. GLANZ: 50.

25 THE COURT: How far did you go in school?

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1 DEFENDANT M. GLANZ: Rabbinical college.

2 THE COURT: So you graduated high school?

3 DEFENDANT M. GLANZ: Yes.

4 THE COURT: For how many years did you go to
5 rabbinical college?

6 DEFENDANT M. GLANZ: About six years.

7 THE COURT: Are you now or have you recently been
8 under the care of a medical doctor?

9 DEFENDANT M. GLANZ: Yes.

10 THE COURT: For what condition?

11 DEFENDANT M. GLANZ: Hypertension.

12 THE COURT: Are you taking any medications?

13 DEFENDANT M. GLANZ: Yes.

14 THE COURT: What type of medications?

15 DEFENDANT M. GLANZ: Micardis, spironolactone,
16 felodipine.

17 THE COURT: Let me hear the third one.

18 DEFENDANT M. GLANZ: Felodipine. Three medications.

19 THE COURT: All three of them are for hypertension?

20 DEFENDANT M. GLANZ: Yes.

21 THE COURT: Have you ever been treated for a mental
22 illness?

23 DEFENDANT M. GLANZ: Yes.

24 THE COURT: And did you receive any kind of a
25 diagnosis?

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1 DEFENDANT M. GLANZ: I don't remember exactly. I was
2 hospitalized.

3 THE COURT: How long ago was that?

4 DEFENDANT M. GLANZ: Over ten years.

5 THE COURT: Do you take any medications for that
6 condition?

7 DEFENDANT M. GLANZ: No.

8 THE COURT: When was the last time you were seen by a
9 mental health professional?

10 DEFENDANT M. GLANZ: Never since then.

11 THE COURT: All right. Have you ever been addicted to
12 prescription medications, alcohol, any kind of drugs, any kind
13 of a substance?

14 DEFENDANT M. GLANZ: No.

15 THE COURT: How do you feel today?

16 DEFENDANT M. GLANZ: Fine.

17 THE COURT: Is your mind clear?

18 DEFENDANT M. GLANZ: Yes.

19 THE COURT: Do you understand what's happening?

20 DEFENDANT M. GLANZ: Yes.

21 THE COURT: Mr. Vinegrad, any doubt as to your
22 client's competence to plead?

23 MR. VINEGRAD: No, your Honor.

24 THE COURT: Same question, Ms. Pierce.

25 MS. PIERCE: No, your Honor.

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1 THE COURT: Based upon my observations and hearing the
2 responses to my questions, I find that both defendants are
3 fully competent to enter an informed plea.

4 Mr. Leib Glanz, have you in fact discussed the charges
5 against you, which are set forth in a misdemeanor information
6 filed under docket No. S1 11 CR 1068, with your lawyer,
7 Mr. Vinegrad?

8 DEFENDANT L. GLANZ: Yes, I did.

9 THE COURT: All right. If you would like, I would
10 read the text of the misdemeanor information to you, unless you
11 would like to waive that reading.

12 MR. VINEGRAD: We waive it.

13 THE COURT: All right. Have you had enough time,
14 Mr. Glanz, to consider all of your options in this case?

15 DEFENDANT L. GLANZ: Yes, I did.

16 THE COURT: Are you satisfied with your lawyer's
17 representation of you?

18 DEFENDANT L. GLANZ: Yes, I am.

19 THE COURT: Mr. Menashe Glanz, have you in fact
20 discussed the charges against you with your lawyer, Ms. Pierce,
21 and also with Mr. Stillman?

22 DEFENDANT M. GLANZ: Yes.

23 THE COURT: Have you had enough time to consider all
24 of your options in this case?

25 DEFENDANT M. GLANZ: Yes.

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1 THE COURT: Are you satisfied with your lawyer's
2 representation of you?

3 DEFENDANT M. GLANZ: Yes.

4 THE COURT: All right. I'm now going to explain to
5 you certain rights that each of you would have if the case went
6 to trial and rights you would be giving up by pleading guilty.

7 Under the Constitution and laws of the United States,
8 you're entitled to a speedy and public trial on the charges
9 contained in the charging document, which, in the case of Leib
10 Glanz, is the misdemeanor information, in the case of
11 Mr. Menashe Glanz, is the indictment.

12 Do you understand all of that?

13 DEFENDANT L. GLANZ: Yes.

14 DEFENDANT M. GLANZ: Yes.

15 THE COURT: If there were a trial, you would not have
16 to prove that you were innocent; the government would be
17 required to prove each element of each crime by proof beyond a
18 reasonable doubt. You would be presumed to be innocent. If
19 there were a trial, before you could be found guilty, a jury of
20 12 people would have to agree unanimously that you were guilty.

21 Do you understand all of that?

22 DEFENDANT L. GLANZ: Yes.

23 DEFENDANT M. GLANZ: Yes.

24 THE COURT: If there were a trial, at every stage of
25 your case, you would be entitled to be represented by a lawyer,

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1 and, if you could not afford a lawyer, one would be appointed
2 at public expense.

3 Do you understand all of that?

4 DEFENDANT L. GLANZ: Yes.

5 DEFENDANT M. GLANZ: Yes.

6 THE COURT: If there were a trial, the witnesses for
7 the government would have to come to court to testify. You
8 would be able to see and hear them, confront them, and your
9 lawyer could question them through cross-examination. Your
10 lawyer would have the right to object to evidence offered by
11 the government. Your lawyer would be able to present evidence
12 and ask the government to compel witnesses to appear at trial
13 on your behalf.

14 Do you understand all that?

15 DEFENDANT L. GLANZ: Yes.

16 DEFENDANT M. GLANZ: Yes.

17 THE COURT: If there were a trial, you would have the
18 right to testify if you chose to do so. You could come up here
19 to take the witness stand. Also, you would have the right not
20 to testify, and no one would be permitted to draw any inference
21 or suggestion of guilt from the fact that you decided not to
22 testify.

23 Do you understand all of that?

24 DEFENDANT L. GLANZ: Yes.

25 DEFENDANT M. GLANZ: Yes.

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1 THE COURT: Now if there were a trial and the jury
2 found you guilty, you would have the right to appeal that
3 finding.

4 Do you understand that?

5 DEFENDANT L. GLANZ: Yes.

6 DEFENDANT M. GLANZ: Yes.

7 THE COURT: Those are the rights you would have if you
8 went to trial. If I accept the plea of guilty from you, there
9 will be no trial. You will proceed to the sentencing phase in
10 which I will decide on the punishment to be imposed on you.

11 Do you understand all that?

12 DEFENDANT L. GLANZ: Yes.

13 DEFENDANT M. GLANZ: Yes.

14 THE COURT: Even now you have the right to change your
15 mind instead of pleading guilty; you may plead not guilty and
16 go to trial.

17 Mr. Leib Glanz, do you wish to plead not guilty and go
18 to trial?

19 DEFENDANT L. GLANZ: No.

20 THE COURT: Same question, Mr. Menashe Glanz.

21 DEFENDANT M. GLANZ: No.

22 THE COURT: All right. Mr. Leib Glanz, do you
23 understand that you are charged with making false statements to
24 the Department of Housing and Urban Development with an intent
25 to defraud?

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1 Do you understand that?

2 DEFENDANT L. GLANZ: Yes.

3 THE COURT: Do you understand that that crime carries
4 a maximum sentence of one year of imprisonment, a maximum term
5 of supervised release of one year, a maximum fine of the
6 greatest of \$100,000, twice the gross pecuniary or monetary
7 gain derived from the offense, or twice the gross pecuniary
8 loss to a person other than yourself as a result of the
9 offense, and a \$25 special assessment?

10 Do you understand all of that?

11 DEFENDANT L. GLANZ: Yes.

12 THE COURT: In addition to the foregoing, the Court
13 must order restitution to any victims of your crime.

14 Do you understand that?

15 DEFENDANT L. GLANZ: Yes.

16 THE COURT: All right. Is the government seeking
17 forfeiture as to Leib Glanz?

18 MR. ANDERSON: No, your Honor.

19 THE COURT: Mr. Menashe Glanz, do you understand that
20 in count two, you are charged with theft of government funds?

21 Do you understand that?

22 DEFENDANT M. GLANZ: Yes.

23 THE COURT: Do you understand that's charging you with
24 stealing?

25 DEFENDANT M. GLANZ: Yes.

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1 THE COURT: Do you understand that that crime carries
2 a maximum term of ten years' imprisonment, a maximum term of
3 supervised release of three years, a maximum fine of the
4 greatest of \$250,000, twice the gross pecuniary gain derived
5 from the offense, or twice the gross pecuniary loss to persons
6 other than yourself as a result of the offense, and a mandatory
7 \$100 special assessment?

8 Do you understand all that?

9 DEFENDANT M. GLANZ: Yes.

10 THE COURT: Do you understand that in addition to all
11 of that, the Court must order that you make restitution to the
12 victims of your crime?

13 Do you understand that?

14 DEFENDANT M. GLANZ: Yes.

15 THE COURT: And do you understand that the government
16 is seeking forfeiture against you in this case?

17 DEFENDANT M. GLANZ: Yes.

18 THE COURT: Ms. Pierce, is it your client's intention
19 to admit the forfeiture allegations in the indictment today?

20 MS. PIERCE: It is, your Honor. It is our
21 expectation, as is set forth in the plea agreement, that the
22 government will be requesting or recommending that the
23 Department of Justice apply its restoration policy so that
24 funds paid in forfeiture will be applied to restitution.

25 THE COURT: All right. I take it you have consented

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1 to this proposed consent order of forfeiture.

2 MS. PIERCE: We have, your Honor.

3 THE COURT: Mr. Leib Glanz, are you a United States
4 citizen?

5 DEFENDANT L. GLANZ: Yes.

6 THE COURT: Same question, Mr. Menashe Glanz.

7 DEFENDANT M. GLANZ: Yes.

8 THE COURT: By pleading guilty, you are giving up
9 other valuable civil rights, such as the right to vote, to hold
10 public office, sit on a jury, to hold certain licenses, to
11 possess a firearm, and to receive government benefits.

12 Do you understand all that, Leib Glanz?

13 DEFENDANT L. GLANZ: Yes.

14 THE COURT: Do you understand that, Menashe Glanz?

15 DEFENDANT M. GLANZ: Yes.

16 THE COURT: All right. Are you serving any other
17 sentence, state or federal, or being prosecuted in any other
18 court for a crime?

19 DEFENDANT L. GLANZ: No.

20 DEFENDANT M. GLANZ: No.

21 THE COURT: In sentencing you, I will receive a
22 presentence report prepared by probation that gives me
23 background information and a recommended range of sentence
24 under the Sentencing Guidelines. After hearing from your
25 lawyer and from the government, I will make my own

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1 determination of the correct guideline range that applies in
2 your case. But even after determining the correct guideline
3 range, I need not sentence you within the guideline range. The
4 guidelines are advisory, and they are not binding on the Court.
5 They are one of the factors to be taken into account under the
6 sentencing statute, which is known as Section 3553(a).

7 Do you understand all that, Mr. Glanz?

8 DEFENDANT L. GLANZ: Yes.

9 DEFENDANT M. GLANZ: Yes.

10 THE COURT: Leib Glanz, has anyone threatened you or
11 forced you in any way to either enter into a plea agreement or
12 to plead guilty?

13 DEFENDANT L. GLANZ: No.

14 THE COURT: I take it, however, there has been a plea
15 agreement between you and the government. Is that correct?

16 DEFENDANT L. GLANZ: Yes.

17 THE COURT: Let me place before you what appears to
18 be -- actually, I don't think I have a signed plea agreement in
19 the case of either defendant. I have photocopies.

20 MR. ANDERSON: I can hand up both signed plea
21 agreements, your Honor.

22 THE COURT: Yes. Hand them up to the clerk.

23 Mr. Leib Glanz, is that your plea agreement with the
24 government? It's on a Department of Justice letterhead. It
25 appears to be five pages in length and bears the date of August

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29 on the front page and is addressed to Mr. Vinegrad.

DEFENDANT L. GLANZ: Yes.

THE COURT: Is that your signature on the last page?

DEFENDANT L. GLANZ: Yes, your Honor.

THE COURT: Did you read it before you signed it?

DEFENDANT L. GLANZ: Yes, your Honor.

THE COURT: Did you discuss it with your lawyer before you signed it?

DEFENDANT L. GLANZ: Yes, your Honor.

THE COURT: Did you understand it before you signed it?

DEFENDANT L. GLANZ: Yes, your Honor.

THE COURT: Does it contain all of your understandings with the government?

DEFENDANT L. GLANZ: Yes, your Honor.

THE COURT: Has anyone made any promises or given you any inducements to plead guilty that are not set forth in your plea agreement?

DEFENDANT L. GLANZ: No, your Honor.

THE COURT: Mr. Menashe Glanz, has anyone threatened you or forced you in any way to enter into a plea agreement or to plead guilty?

DEFENDANT M. GLANZ: No.

THE COURT: Has there in fact been a plea agreement between you and the government?

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1 DEFENDANT M. GLANZ: Yes.

2 THE COURT: Let me place before you what appears to be
3 the signed plea agreement, which is six pages in length, on the
4 Department of Justice letterhead, dated August 29, addressed to
5 Mr. Stillman and Ms. Pierce.

6 Is that your plea agreement?

7 DEFENDANT M. GLANZ: Yes.

8 THE COURT: Is that your signature on the last page?

9 DEFENDANT M. GLANZ: Yes.

10 THE COURT: Did you read it before you signed it?

11 DEFENDANT M. GLANZ: Yes.

12 THE COURT: Did you discuss it with your lawyer before
13 you signed it?

14 DEFENDANT M. GLANZ: Yes.

15 THE COURT: Did you understand it before you signed
16 it?

17 DEFENDANT M. GLANZ: Yes.

18 THE COURT: Does it contain all of your understandings
19 with the government?

20 DEFENDANT M. GLANZ: Yes.

21 THE COURT: Has anyone made any promises or given you
22 any inducements to plead guilty that are not in your plea
23 agreement?

24 DEFENDANT M. GLANZ: No.

25 THE COURT: Thank you.

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1 I want both defendants to know that any prediction,
2 calculation, or estimate that anyone has made to you as to what
3 sentence the Court might give you is not binding on the Court,
4 and if it turns out to be wrong, you will not be permitted to
5 withdraw your guilty plea.

6 Do you understand that?

7 DEFENDANT L. GLANZ: Yes.

8 DEFENDANT M. GLANZ: Yes.

9 THE COURT: One of the features of your plea
10 agreements is that each of you and the government have agreed
11 on what you have called in your plea agreement a stipulated
12 guideline range. In the case of Leib Glanz, it's zero to six
13 months' imprisonment and a fine between a thousand and \$10,000.

14 Is that correct, Mr. Leib Glanz?

15 DEFENDANT L. GLANZ: Yes.

16 THE COURT: And in the case of Mr. Menashe Glanz, the
17 stipulated guideline range is 12 to 18 months and a fine of
18 3,000 to 30,000.

19 Is that correct, Mr. Menashe Glanz?

20 DEFENDANT M. GLANZ: Yes, your Honor.

21 THE COURT: That agreement, in the case of both plea
22 agreements, is binding on you and it's binding on the
23 government, but it's not binding on the Court. I have my own
24 duty to determine the correct guideline range. If I determine
25 the proper guideline range is higher than the one you agreed to

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1 with the government, you will not be permitted to withdraw your
2 guilty plea.

3 Do you understand all that?

4 DEFENDANT L. GLANZ: Yes.

5 DEFENDANT M. GLANZ: Yes.

6 THE COURT: Once the guideline range is determined, it
7 will be only one of the factors I consider in determining your
8 sentence. One of the features of your plea agreement with the
9 government is that if I should sentence you within the
10 stipulated guideline range or above that range, the government
11 has agreed not to appeal. But each of you have also agreed
12 that if I sentence you either within the stipulated guideline
13 range set forth in the plea agreement or if I sentence you
14 below that range, then you agree that such a sentence is
15 reasonable and you will not appeal or collaterally attack the
16 sentence. You have waived your right to appeal or collaterally
17 attack a sentence unless the sentence I impose is above the
18 stipulated guideline range, and in that event, the law will
19 only allow you to challenge the sentence on the grounds that it
20 is unreasonable or contrary to law.

21 Do you understand all of that?

22 DEFENDANT L. GLANZ: Yes, your Honor.

23 DEFENDANT M. GLANZ: Yes, your Honor.

24 THE COURT: Let me hear from Mr. Anderson. What are
25 the elements of the crime? Let's begin with Leib Glanz. And

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1 what, in summary, would be the government's proof if the case
2 proceeded to trial?

3 MR. ANDERSON: Yes, your Honor.

4 With respect to Mr. Leib Glanz, there are three
5 elements of a violation of 18 U.S.C. 1012, which is making a
6 false statement to HUD. The first is that the defendant made a
7 false statement or report; that the statement was made to or
8 for the Department of Housing and Urban Development, and the
9 statement was made with the intent to defraud.

10 The government's principal proof with respect to Leib
11 Glanz is that while residing at 85 Ross Street and working at
12 UTA, he submitted documents to HUD --

13 THE COURT: U-T?

14 MR. ANDERSON: A, the United Talmudical Academy.

15 THE COURT: All right.

16 MR. ANDERSON: Which was the landlord for the property
17 of 85 Ross Street, he was working on behalf of UTA while living
18 at the property. He submitted paperwork to HUD in support of
19 Section 8 housing benefits that purported to show his brother
20 as the resident of 85 Ross Street, and that was false when
21 submitted.

22 THE COURT: All right.

23 MR. ANDERSON: Now, with respect to Menashe Glanz.

24 THE COURT: We're not there yet.

25 What, in summary, would be your evidence on that?

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1 MR. ANDERSON: The submission of the paperwork.

2 THE COURT: All right.

3 MR. ANDERSON: Which bears the defendant's signature,
4 records from HUD showing that funding was disbursed pursuant to
5 the authorization, and documents showing that he in fact
6 resided at 85 Ross Street, which was the subsidized apartment
7 that his brother allegedly lived in.

8 THE COURT: Mr. Leib Glanz, please tell me in your own
9 words what you did that leads you to believe that you are
10 guilty of the crime charged in the superseding information.

11 DEFENDANT L. GLANZ: From 1996 to 2000, I was the
12 executive director of the United Talmudical Academy in
13 Brooklyn, which was known as UTA. In that capacity, and during
14 that time, I signed three contracts with the New York City
15 Housing Authority which administered the Section 8 housing
16 assistance program on behalf of the United States Department of
17 Housing and Urban Development. The contract stated that
18 Section 8 payments would be made to UTA on the basis that my
19 brother, Menashe, and his family were tenants of an apartment
20 located at 85 Ross Street, Brooklyn, New York, which was owned
21 by UTA. That statement was false, and I knew it was false
22 because my brother and his family were not the tenants of that
23 apartment. When I signed the contract, I knew that what I was
24 doing was wrong.

25 THE COURT: All right. Did you make the false

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1 statement?

2 DEFENDANT L. GLANZ: I signed.

3 THE COURT: All right. I understand you signed, but
4 I'm asking did you adopt that false statement as your own?

5 DEFENDANT L. GLANZ: Yes.

6 THE COURT: And you knew it was false when you made
7 it?

8 DEFENDANT L. GLANZ: Yes.

9 THE COURT: Let me hear from the government. First of
10 all, does the government agree there is a sufficient factual
11 predicate for a plea as to Leib Glanz?

12 MR. ANDERSON: I do, your Honor, and with respect to
13 the issue of venue, the reports were reviewed here in Manhattan
14 even though the property is in Brooklyn.

15 THE COURT: Mr. Vinegrad, is there any challenge to
16 venue in this case?

17 MR. VINEGRAD: No, your Honor.

18 THE COURT: With regard to Mr. Menashe Glanz, what are
19 the elements of the crime and what, in summary, would be the
20 government's proof?

21 MR. ANDERSON: Your Honor, there are four elements of
22 a violation of Section 641. First is that the money or
23 property described in the indictment belonged to the United
24 States Government; second, that the defendant stole or
25 embezzled or knowingly converted that property; third, that the

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1 defendant acted knowingly and willfully with the intent to
2 deprive the government of the use and benefit of its property;
3 and, fourth, that the value of the property was greater than
4 \$1,000.

5 Your Honor, the government's proof here is pretty much
6 the other side of the government's proof against Leib Glanz,
7 which is that his brother submitted, year after year,
8 affidavits and other --

9 THE COURT: When you say his brother, by name.

10 MR. ANDERSON: That Menashe Glanz submitted to HUD,
11 the Housing and Urban Development agency, year after year,
12 applications indicating that he resided at 85 Ross Street and
13 that his income level was low enough so that he would qualify
14 for Section 8 housing subsidies, and those housing subsidies
15 were issued year after year in connection with Menashe Glanz's
16 application.

17 THE COURT: So the housing subsidies were paid on his
18 behalf to the landlord? Is that what it was?

19 MR. ANDERSON: That's correct, your Honor.

20 THE COURT: All right. Is the government's contention
21 here that Mr. Menashe Glanz used the apartment, had the benefit
22 of the apartment?

23 MR. ANDERSON: That's not what the government is
24 alleging here. The government alleges that Menashe Glanz
25 benefitted from this arrangement, but the details of that

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benefit would have to come from the defense.

THE COURT: All right. Let me hear from Menashe Glanz as to what facts lead him to believe that he's guilty of the crime charged in count two of the indictment.

DEFENDANT M. GLANZ: Your Honor, at multiple times during the time period of the indictment, I signed forms which make false statements, such as where my family was living, in order to get the Department of Housing and Urban Development to provide Section 8 benefits for my family to which we were not entitled. I knew that I was, what I was doing was wrong and unlawful. I am sorry.

THE COURT: Let me ask you. When you say you signed statements, did you adopt those statements as your own? Did you make those statements?

DEFENDANT M. GLANZ: Yes.

THE COURT: All right. Were they false when you made them?

DEFENDANT M. GLANZ: Yes.

THE COURT: And did you know they were false?

DEFENDANT M. GLANZ: Yes.

THE COURT: Were you living in this apartment?

DEFENDANT M. GLANZ: No.

THE COURT: Who was living in the apartment?

DEFENDANT M. GLANZ: My brother.

THE COURT: Your brother was living in the apartment?

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1 Which brother?

2 DEFENDANT M. GLANZ: Leib.

3 THE COURT: All right. And what did you tell the
4 government?

5 DEFENDANT M. GLANZ: I'm living there.

6 THE COURT: You told the government that you were
7 living there?

8 DEFENDANT M. GLANZ: Yes. Yes.

9 THE COURT: Did you tell the truth as to how much
10 money you were earning?

11 DEFENDANT M. GLANZ: Yes.

12 THE COURT: Did you know what you were doing was
13 unlawful?

14 DEFENDANT M. GLANZ: Yes.

15 THE COURT: Does the government agree there is a
16 sufficient factual predicate for a plea of guilty?

17 MR. ANDERSON: Yes, your Honor. The government
18 proffers that the subsidies were over a thousand dollars, and I
19 don't think the defense contests that.

20 THE COURT: Any dispute that the subsidies were over a
21 thousand dollars?

22 MS. PIERCE: I'm sorry, your Honor?

23 THE COURT: Any dispute that the amount of the
24 subsidies were over a thousand dollars, Mr. Menashe Glanz?

25 DEFENDANT M. GLANZ: No.

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1 THE COURT: Okay. What's the proffer on venue?

2 MR. ANDERSON: Your Honor, it's the same as with
3 respect to Leib Glanz, that the applications were reviewed here
4 in New York, in Manhattan, by the New York City Housing
5 Authority.

6 THE COURT: Any dispute as to venue?

7 MS. PIERCE: No, your Honor.

8 THE COURT: Mr. Vinegrad, do you agree there is a
9 sufficient factual predicate for a plea of guilty by your
10 client?

11 MR. VINEGRAD: I do.

12 THE COURT: Are you aware of any valid defense that
13 would likely prevail at trial or any other reason why your
14 client should not be permitted to plead guilty?

15 MR. VINEGRAD: No, your Honor.

16 THE COURT: Ms. Pierce, do you agree there is a
17 sufficient factual predicate?

18 MS. PIERCE: Yes, I do, your Honor.

19 THE COURT: Are you aware of any valid defense that
20 would likely prevail at trial or any other reason why your
21 client should not be permitted to plead guilty?

22 MS. PIERCE: I am not, your Honor.

23 THE COURT: All right. Mr. Leib Glanz, do you have
24 any questions for me?

25 DEFENDANT L. GLANZ: No, your Honor.

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1 THE COURT: Mr. Menashe Glanz, do you have any
2 questions for me?

3 DEFENDANT M. GLANZ: No, your Honor.

4 THE COURT: Mr. Leib Glanz, how do you plead to the
5 single count of the misdemeanor information, count one; guilty
6 or not guilty?

7 DEFENDANT L. GLANZ: Guilty.

8 THE COURT: Mr. Menashe Glanz, how do you plead to
9 count two of the indictment; guilty or not guilty?

10 DEFENDANT M. GLANZ: Guilty.

11 THE COURT: With regard to the forfeiture allegations
12 in paragraphs five and six, do you admit those allegations or
13 do you deny those allegations?

14 DEFENDANT M. GLANZ: Yes.

15 THE COURT: Well, do you admit them or do you deny
16 them?

17 DEFENDANT M. GLANZ: Admit.

18 THE COURT: I'm sorry?

19 DEFENDANT M. GLANZ: Admit.

20 THE COURT: You admit those allegations. All right.

21 Based upon your responses to my questions, my
22 observations of your demeanor in the case of Leib Glanz and
23 also Menashe Glanz, I find that you know your rights, you know
24 the consequences of pleading guilty., there is a factual basis
25 for a plea of guilty, your plea of guilty is accepted. I find

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1 that your plea agreements were knowingly and voluntarily
2 entered into, and the admission to forfeiture is also accepted
3 in the case of Menashe Glanz.

4 I will order a presentence investigation and report in
5 each of your cases, and I will direct that no interview of you
6 take place unless your lawyers are present. It's important
7 that you be candid, truthful, and honest with the people who
8 prepare the presentence report. Tell them the good things and
9 even the not so good things because the report will be
10 important in my addition on sentencing.

11 Sentencing in this case will be set for, in the case
12 of Leib Glanz, Friday, January 25, at 10:30 a.m., and in the
13 case of Menashe Glanz, January 25, at 11:15 a.m.

14 Let me hear from the government with regard to a
15 continuation of bail.

16 MR. ANDERSON: Your Honor, the government does not
17 request any modification to the bail conditions in this case.

18 THE COURT: All right. You must be in this courtroom
19 on the date of sentencing or any adjourned date of that
20 sentencing or you will be guilty of a separate crime,
21 bail-jumping, and subject to up to five years in prison and up
22 to \$250,000 fine in addition to the penalties for the crime to
23 which you've each entered a plea of guilty.

24 Do you understand, Leib Glanz?

25 DEFENDANT L. GLANZ: Yes, your Honor.

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1 THE COURT: Do you understand, Menashe Glanz?

2 DEFENDANT M. GLANZ: Yes, your Honor.

3 THE COURT: Let me hear from the government. Is there
4 a proposed consent order of forfeiture you're going to hand up?

5 MR. ANDERSON: Yes, your Honor. It's attached as
6 Exhibit A to the plea agreement for Menashe Glanz.

7 THE COURT: All right. It's an unsigned consent
8 order. The copy of the plea agreement I have here, which is a
9 signed copy of the plea agreement, has an Exhibit A with an
10 unsigned consent order form.

11 MR. ANDERSON: The parties could execute it now and
12 hand it up to the Court.

13 THE COURT: Why don't you do that right now and we can
14 get that out of the way.

15 MS. PIERCE: Your Honor, would the order be entered
16 now or will it be entered at this time of sentencing?

17 THE COURT: That's what I'm going to find out. Let me
18 hear from the government.

19 MR. ANDERSON: Your Honor, the order usually is
20 entered at the time of sentencing.

21 THE COURT: This is why I'm trying to find out. So
22 there's no need to do anything right now?

23 MR. ANDERSON: Whatever the preference of the Court
24 is. It's going to be the same order four months from now. If
25 the Court wanted it signed now, we could do it now.

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1 THE COURT: It's not a question of signing. I'm
2 either going to have it signed and filed now or I'm doing
3 nothing now and you can do this on your own time. All right?
4 Any which way.

5 MS. PIERCE: I would request that it await the time of
6 sentencing, your Honor.

7 THE COURT: That's fine. That's what we'll do.
8 Anything further from the government?

9 MR. ANDERSON: No, your Honor.

10 THE COURT: Mr. Vinegrad, anything further from you?

11 MR. VINEGRAD: No, your Honor.

12 THE COURT: Ms. Pierce?

13 MS. PIERCE: No, your Honor.

14 THE COURT: Thank you, all.

15 (Proceedings adjourned)